Form (2)

Republic of the Union of Myanmar ★ Myanmar Investment Commission ★

Sr. No. 16739-8

Dated 18.9.2013

THE REPUBLIC OF THE UNION OF MYANMAR

The Myanmar Investment Commission

PERMIT

Permit No. 624/2013 Date 18, September 2013

The Myanmar Investment Commission issues this Permit under Section 13(b) of the Republic of the Union of Myanmar Foreign Investment Law-

(a) Name of Investor/ Promoter MR. GERARD VAN ARENDONK

(b) Citizenship FRANCH

(c) Address LAIE AUX FAUCONS 7, 1300 WAVRE BELGIUM

(d) Name and Address of principal organization SOCIETE INDUSTRIELLE AGRICOLE ET COMMERCIALE D' OUTRE MER, ZONE INDUSTRIELLE NO.1. 97420 LE PORT/LA REUNION, FRANCE

(e) Place of incorporation FRANCE

(f) Type of business in which investment is to be "RICE MILLING AND PROCESSING INCLUDING PARBOILING, POLISHING AND SORTING RICE PLANT" AND OTHER AGRICULTURE BUSINESS

(g) Place(s) at which investment is permitted PLOT NO. 1432 (TA KUN TAING KWIN), HINTADA TOWNSHIP, KONE GYI VILLAGE, YWAR THAR KONE VILLAGE TRACK, AYEYARWADY REGION

(h) Amount of foreign capital US$ 4.740 MILLION

(i) Period for bringing in foreign capital WITHIN TWO YEARS AND SIX MONTHS FROM THE DATE OF ISSUANCE OF MIC PERMIT

(j) Total amount of capital (Kyat) KYAT 4962.889 MILLION (INCLUDING US$ 4.740 MILLION)

(k) Construction period 9 MONTHS

(l) Permitted duration of investment 50 YEARS

(m) Form of investment JOINT VENTURE

(n) Name of the economic organization to be formed in Myanmar SHWE ZABAR CO., LTD.

Win Thein

Chairman

The Myanmar Investment Commission

ပြည်ထောင်စုသမ္မတမြန်မာနိုင်ငံတော်

မြန်မာနိုင်ငံရင်းနှီးမြှုပ်နှံမှုကော်မရှင်

ခွင့်ပြုမိန့်

ခွင့်ပြုမိန့်အမှတ် ၆၂၄ / ၂၀၁၃ ၂၀၁၃ ခုနှစ် စက်တင်ဘာလ ၁၇ ရက်

ပြည်ထောင်စုသမ္မတမြန်မာနိုင်ငံတော် နိုင်ငံခြားရင်းနှီးမြှုပ်နှံမှု ဥပဒေပုဒ်မ ၁၃ ပုဒ်မခွဲ (ခ) အရ ဤခွင့်ပြုမိန့်ကို မြန်မာနိုင်ငံ ရင်းနှီးမြှုပ်နှံမှု ကော်မရှင်က ထုတ်ပေးလိုက်သည်-

(က) ရင်းနှီးမြှုပ်နှံသူ/ ကမကထပြုသူ၏အမည် MR. GERARD VAN ARENDONK

(ခ) မည်သည့် နိုင်ငံသား FRENCH

(ဂ) နေရပ်လိပ်စာ LAIE AUX FAUCONS 7, 1300 WAVER BELGIUM

(ဃ) ပင်မအဖွဲ့အစည်းအမည်နှင့်လိပ်စာ SOCIETE INDUSTRIELLE AGRICOLE ET COMMERCIALE D'OUTRE MER, ZONE INDUSTRIELLE NO.1. 97420 LE PORT/LA REUNION, FRANCE

(င) ဖွဲ့စည်းရာအရပ် FRANCE

(စ) ရင်းနှီးမြှုပ်နှံသည့်လုပ်ငန်းအမျိုးအစား ဆန်အမျိုးအစားခွဲခြင်း၊ ဆန်ပေါင်းတင်ခြင်းနှင့် ဆန်အရောင်တင်ခြင်းတို့ အပါအဝင် ဆန်စပါး ကြိတ်ခွဲ ပြုပြင်သည့် ဆန်စက်နှင့် အခြား စိုက်ပျိုးရေး လုပ်ငန်းများ

(ဆ) ရင်းနှီးမြှုပ်နှံသည့်အရပ်ဒေသ(များ) အကွက်အမှတ်-၁၄၃၂၊ တံခွန်တိုင်ကွင်း၊ ကုန်းကြီးရွာ၊ ရွာသာကုန်းအုပ်စု၊ ဟင်္သာတမြို့နယ်၊ ဧရာဝတီတိုင်း ဒေသကြီး

(ဇ) နိုင်ငံခြားမတည်ငွေရင်းပမာဏ အမေရိကန်ဒေါ်လာ ၄.၇၄၀ သန်း

(ဈ) နိုင်ငံခြားမတည်ငွေရင်းယူဆောင်လာရမည့်ကာလ ကော်မရှင် ခွင့်ပြုမိန့် ရရှိပြီး (၂)နှစ် အတွင်း

(ည) စုစုပေါင်းမတည်ငွေရင်းပမာဏ(ကျပ်) ကျပ် ၄၅၆၂.၈၈၉ သန်း (အမေရိကန် ဒေါ်လာ ၄.၇၄၀ သန်း နှင့်ညီမျှသော မြန်မာကျပ်ငွေ အပါအဝင်)

(ဋ) တည်ဆောက်မှုကာလ ၉ လ

(ဌ) ရင်းနှီးမြှုပ်နှံခွင့်ပြုသည့် သက်တမ်း ၅၀ နှစ်

(ဍ) ရင်းနှီးမြှုပ်နှံမှုပုံစံ ဖက်စပ်လုပ်ငန်း

(ဎ) မြန်မာနိုင်ငံတွင် ဖွဲ့စည်းမည့် စီးပွားရေး အဖွဲ့အစည်းအမည် SHWE ZABAR CO., LTD.

ဥက္ကဋ္ဌ

မြန်မာနိုင်ငံရင်းနှီးမြှုပ်နှံမှုကော်မရှင်

THE REPUBLIC OF THE UNION OF MYANMAR

MYANMAR INVESTMENT COMMISSION

Building No.(32), Nay Pyi Taw

Our ref : Ya Ka-1/Na-797/2013(16739·§) Tel : 067- 406334, 406075
Date : 18 September 2013 Fax : 95-67-406333

Subject: **Decision of the Myanmar Investment Commission on the Proposal for "Rice Milling and processing including parboiling, polishing and sorting rice plant and other agriculture business" under the name of "Shwe Zabar Co., Ltd."**

Reference: Shwe Zabar Co., Ltd. dated of (6.3.2013)

1. The Myanmar Investment Commission, at its meeting (17 /2013) held on (29-6-2013) had approved the proposal for investment in "Rice Milling and processing including parboiling, polishing and sorting rice plant and other agriculture business" under the name of Shwe Zabar Co., Ltd. submitted as a Joint Venture between Societe Industrielle Agricole ET Commercial D'Outre Mer (SIACOM) (80%) from France and XY Trading Co.,Ltd. (20%) from the Republic of the Union of Myanmar.

2. Hence, the "Permit" is herewith issued in accordance with Chapter VII, section 13(b) of the Republic of the Union of Myanmar Foreign Investment Law and Chapter VIII, Rule 49 of the Foreign Investment Rules relating to the said Law. Terms and conditions to the "Permit" are stated in the following paragraphs.

3. The permitted duration of the project shall be 50 (Fifty) years for commencing from the date of signing of the Lease Agreement for Land and Buildings and extendable 10 (Ten) years (2) times period between U Tin Aung Latt, U Tin Aung Lay, U Kyaw Oo and Shwe Zabar Co.,Ltd.

4. The annual rent shall be US $ 41,000 (United States Dollar forty-one thousand only) and calculated at the rate of US $ 10 per square meter per year of the covered area 4,100 square meter and US$ 87,800 (United States Dollar eighty-seven thousand and eight hundred only) and calculated at the rate of

US$ 2 per square meter per year of the uncovered area 43,900 square meter on the total land area of 48,000 square meter (12.01 acres). Rental shall be paid yearly and the Shwe Zabar Co., Ltd. shall pay the rent of US$ 128,800 (United States Dollar one hundred and twenty-eight thousand and eight hundred only) for the first year lease period within fourteen days from the effective of Myanmar Investment Commission under Foreign Investment Law. The rent may be reviewed for every subsequent term of 5 (five) year's period and the rate of increase should not be more than 15% of the preceding annual rent.

5. In issuing this "Permit," the Commission has granted, the followings, exemptions and reliefs as per section 27(a), (h), (i) and (k) of the Republic of the Union of Myanmar Foreign Investment Law. Other exemptions and reliefs under section 27 shall have to be applied upon the actual performance of the project;

(a) As per section-27(a), income tax exemption for a period of five consecutive years including the year of commencement on commercial production;

(b) As per section-27(h), exemption or relief from customs duty or other internal taxes or both on machineries, equipments, instruments, machinery components, spare parts and materials used in the business which are imported as they are actually required for used during the period of construction of business;

(c) As per section-27(i), exemption or relief from customs duty or other internal taxes or both on raw materials imported for production for the first three-year after the completion of construction of business;

(d) As per section- 27(k), exemption or relief from commercial tax on the goods produced for export.

6. Shwe Zabar Co., Ltd. shall have to sign the Lease Agreement for Land and Buildings with U Tin Aung Latt, U Tin Aung Lay and U Kyaw Oo. XY Trading Co., Ltd. shall have to sign the Joint Venture Agreement with Societe Industrielle Agricole ET Commercial D' Outre Mer (SIACOM). After signing such Agreements, each of (5) copies shall have to be forwarded to the Commission.

7. Shwe Zabar Co., Ltd. in consultation with the Department of Company Registration, Directorate of Investment and Company Administration shall have to be registered. After registration, (5) copies each of Certificate of Incorporation and Memorandum and Articles of Association shall have to be forwarded to the Commission.

8. Shwe Zabar Co., Ltd. shall use its best efforts for timely realization of works stated in the Proposal. If none of such works has been commenced within one year from the date of issue of this "Permit" it shall become null and void.

9. Shwe Zabar Co., Ltd. has to abide by Chapter X, Rules 58 and 59 of the Foreign Investment Rules for construction of rice mill.

10. As per Chapter X, Rule 61 of the Foreign Investment Rules, extension of construction period shall not be granted more than one except it is due to unavoidable events such as natural disasters, instabilities, riots, strikes, emergency of State condition, insurgency and outbreak of wars.

11. As per Chapter X, Rule 63 of the Foreign Investment Rules, if the investor cannot construct completely in time the construction period or extension period, the Commision will have to terminate the permit issued to the investor and there is no refund for the expenses of rice mill.

12. The commercial date of operation shall be reported to the Commission.

13. The Commission approves periodical appointments of foreign experts and technicians from abroad as per proposal and also in accordance with Chapter XI, section 24 and section 25 of the Republic of the Union of Myanmar Foreign Investment Law and Shwe Zabar Co., Ltd. has to follow the existing Labour Law for the recruitment of staff and labour in accordance with Chapter XIII, Rule 84 of the Foreign Investment Rules.

14. In order to evaluate foreign capital and for the purpose of its registration in accordance with the provisions under Chapter XV, section 37 of the Republic of the Union of Myanmar Foreign Investment Law, it is compulsory to report as early as possible in the following manner:-

(a) the amount of foreign currency brought into Myanmar, attached with the necessary documents issued by the respective bank where the account is opened and defined under Chapter XVI, Rules 134 and 135 of the Foreign Investment Rules;

(b) the detailed lists of the type and value of foreign capital defined under section 2(i) of the said Law, other than foreign currency.

15. Shwe Zabar Co., Ltd. brings in foreign capital defined under section 2(i) of the said Law, other than foreign currency in the manner stated in paragraph 14(b) mentioned above, the Inspection Certificate endorsed and issued by an internationally recognized Inspection Firm with regard to quantity, quality and price of imported materials shall have to be attached.

16. Shwe Zabar Co., Ltd. has the right to make account transfer and expend the foreign currency from his bank account in accordance with Chapter XVI , Rule 136 of the Foreign Investment Rules and for transfer of local currency generated from the business to the local currency account opened at the bank by a citizen or a citizen-owned business in the Union and right to transfer back the equivalent amount of foreign currency from the foreign currency bank account of citizen or citizen-owned business by submitting the sufficient document in accordance with Chapter XVII, Rule 145 of the Foreign Investment Rules.

17. Shwe Zabar Co., Ltd. shall report to the Commission for any alteration in the physical and financial plan of the project. Cost over run, over and above the investment amount pledged in both local and foreign currency shall have to be reported as early as possible.

18. Shwe Zabar Co., Ltd. shall be responsible for the preservation of the environment at and around the area of the project site. In addition to this, it shall carry out as per instructions made by Ministry of Environmental Conservation and Forestry in which to conduct Environmental Impact Assessment (EIA) process and an Environmental Management Plan (EMP) which describe the measure to be taken for preventing, mitigation and monitoring significant environmental impacts resulting from the implementation and operation of proposed project or business or activity has to be prepared and submitted and to perform activities in accordance with this EMP and to abide by the environmental policy, Environmental Conservation Law and other environmental related rules and procedures.

19. Payment of principal and interest of the loan (if any) as well as payment for import of raw materials and spare parts etc., shall be made either out of the local sales in Kyat currency and US$ or from export earning (if any)of Shwe Zabar Co., Ltd.

20. Shwe Zabar Co., Ltd. in consultation with Myanma Insurance, shall effect such types of insurance defined under Chapter XII, Rules 79 and 80 of the Foreign Investment Rules.

Win Shein

(Win Shein)

Chairman

Shwe Zabar Co., Ltd.

cc: 1. Office of the Government of the Republic of the Union of Myanmar
2. Office of the Ayeyarwaddy Region Government
3. Ministry of National Planning and Economic Development
4. Ministry of Finance
5. Ministry of Commerce
6. Ministry of Agriculture and Irrigation
7. Ministry of Foreign Affairs
8. Ministry of Home Affairs
9. Ministry of Immigration and Population
10. Ministry of Labour, Employment and Social Security
11. Ministry of Electric Power
12. Ministry of Environmental Conservation and Forestry
13. Director General, Directorate of Investment and Company Administration
14. Director General, Customs Department
15. Director General, Internal Revenue Department

16. Director General, Directorate of Trade
17. Director General, Immigration and National Registration Department
18. Director General, Directorate of Labour
19. Managing Director, Myanma Foreign Trade Bank
20. Managing Director, Myanma Investment and Commercial Bank
21. Managing Director, Myanma Insurance
22. Managing Director, Myanma Electric Power Enterprise
23. Chairman, Republic of the Union of Myanmar Federation of Chambers of Commerce and Industry(UMFCCI)